

IN THE MATTER OF:	)
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	)
QUADRA PAY LAND, LLC; AND	)ADMINISTRATIVE HEARING
EAVENSON FAMILY LP;	)NUMBER: <u>S-06-0055</u>
	)
	)
	)
RESPONDENTS	)

## I. Jurisdiction

## II. Findings of Fact

1. Quadra Pay Land, LLC, (hereinafter “QPL”) is formerly a Nevada limited liability company with a principal address of 3225 McLeod Drive, Suite 100, Las Vegas, Nevada 89121. QPL dissolved on December 30, 2005. Up to the issuance of this Order,

QPL was not lawfully registered with the Division to offer or sell securities in the State of Mississippi.

2. Eavenson Family LP (hereinafter "EAVENSON") is a Nevada domestic limited partnership with a business address of 3225 McLeod Drive, Suite 100, Las Vegas, Nevada 89121, at all times relevant herein. EAVENSON is the manager of QPL. Up to the issuance of this Order, EAVENSON was not lawfully registered with the Division to offer or sell securities in the state of Mississippi.

3. Beginning in or about March of 2005 and up to the issuance of this Order, QPL offered and sold unit option certificates (hereinafter "Option Certificates") to Mississippi residents. QPL represented to the Mississippi resident buyers that the Option Certificates gave the buyer an option to purchase one square foot of real estate.

4. QPL sold Mississippi residents the Option Certificates for six hundred dollars (\$600.00). QPL explained to the investors that by purchasing an Option Certificate, the investors would enter the "Program" at Stage 1, then as additional Option Certificates were sold to new investors, the investors would move on through Stages 2, 3, and 4. QPL indicated to the investors that once they reached Stage 4, the investors would receive a four-fold return on their six hundred dollar (\$600.00) investment amounting to a return of two thousand four hundred dollars (\$2,400.00).

5. The investors do not participate in the management or operation of the Program.

6. The QPL Option Certificate investment product, described in Section II, paragraphs 3-6 herein, offered to the Mississippi residents is a security as that term is

defined in Miss. Code Ann. §75-71-105(n). Up to the date of the issuance of this Order, QPL has not registered this security with the Division.

### **III. Applicable Law**

7. With respect to the offer and sale of the Securities, §75-71-401 of the Act states, in relevant part:

...[I]t is unlawful for any person to offer or sell a security in the State of Mississippi unless (1) it is registered under this chapter or (2) the security or transaction is exempted under article 3 of this chapter....

8. Section 75-71-105(k) of the Act states, in relevant part:

"Person" means an individual, (or) a corporation....

9. Section 75-71-105(n) of the Act states, in relevant part:

"Security" means any ... investment contract ....

10. Section 75-71-119 of the Act states, in relevant part:

(a)...[Section] 75-71-401...appl[ies] to persons who sell or offer to sell when  
(1) an offer to sell is made in this state....

(c)...[A]n offer to sell or to buy is made in this state whether or not either party is then present in this state when the offer (1) originates from this state or (2) is directed by the offeror to this state....

11. Section 75-71-301 of the Act states, in relevant part:

...[I]t is unlawful for any person to transact business in this state as a broker-dealer or agent unless he is registered under this chapter.

### **IV. Conclusions of Law**

12. The Secretary of State has jurisdiction of this matter and the parties named herein.

13. Respondents offered securities as that term is defined in the Act.

14. Respondents violated Section 75-71-301 of the Act by transacting business as a broker-dealer or agent in Mississippi without registering as such.

15. Respondents violated Section 75-71-401 of the Act by offering unregistered securities within the state of Mississippi.

#### **V. Administrative Penalty**

16. NOTICE is hereby given that the Secretary of State intends to impose an administrative penalty of up to twenty-five thousand dollars (\$25,000.00) per violation plus all costs and expenses against the Respondents, pursuant to the authority set out in Section 75-71-715(2) of the Act.

#### **VI. Public Interest**

17. This Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty is issued in the public interest and for the protection of investors consistent with the purpose of the Act.

#### **VII. Amendments**

18. The Division reserves the right to amend this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to allege additional violations.

#### **VIII. Order**

19. **IT IS THEREFORE ORDERED,** pursuant to the authority set out in Section 75-71-715(1) of the Act, that Respondents QUADRA PAY LAND, LLC, AND EAVENSON FAMILY, LP, shall immediately **CEASE AND DESIST** from any further illegal activity in, or originating from, the State of Mississippi in connection with the offer and/or sale of the Securities to any person without the Securities being duly registered or exempted from registration under the Act and Respondents being duly registered pursuant to the Act.



20. **BE ADVISED THAT**, pursuant to Section 75-71-735 of the Act, a willful violation of this Summary Cease and Desist Order may be punishable upon conviction by a fine of not more than twenty-five thousand dollars (\$25,000.00) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

21. **NOTICE** is hereby given that the Respondents, or either of them, shall have thirty (30) days from the date of receipt of this Summary Cease and Desist Order to give written notice requesting a hearing on the matters contained herein to James O. Nelson, II, Assistant Secretary of State of the Business Regulation and Enforcement Division, Office of Secretary of State, Post Office Box 136, Jackson, Mississippi 39205. In the event such a hearing is requested, the Respondents may appear, with or without the assistance of an attorney, on a date and at a time and place to be specified and cross-examine witnesses, present testimony, evidence and argument relating to the matters contained herein. Upon request, subpoenas may be issued for the attendance of witnesses and for the production of books and papers on behalf of the Respondents at the hearing relating to the matters contained herein. In the event such written notice is not received within said thirty (30) day period of time, a FINAL CEASE AND DESIST ORDER may be entered in this proceeding with no further notice.

ISSUED, this, the 17 day of August, 2006.

ERIC CLARK  
Secretary of State  
BY:   
JAMES O. NELSON, II  
Assistant Secretary of State  
Business Regulation and Enforcement

A handwritten signature in black ink, appearing to be 'Nathan Thomas', written over a horizontal line.

Nathan Thomas, MSB #100496  
Senior Attorney  
P. O. Box 136  
Jackson, Mississippi 39205  
(601) 359-6366

### Certificate of Service

I, Nathan Thomas, Senior Attorney, hereby certify that I have this day mailed a true and correct copy of the foregoing Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty via Certified Mail to the following:

Quadra Pay Land, LLC  
c/o Adams & Ewing, LLC, Registered Agent  
3960 Howard Hughes Parkway  
Las Vegas, Nevada 89101

Eavenson Family, LP  
c/o Adams & Ewing, LLC, Registered Agent  
3960 Howard Hughes Parkway  
Las Vegas, Nevada 89101

This, the 18<sup>th</sup> day of August, 2006.



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Attorney